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IAC-D-100/57
30 January 1958

INTELLIGENCE ADVISORY COMMITTEE

Validity Studies of SNIE 42.1/2-56 and NIE 42.1-56

The attached validity studies of SNIE 42.1/2-56, "Probable Political Developments in the Republic of Korea Through 1957," published 30 October 1956, and NIE 42.1-56, "Probable Developments in the Republic of Korea Through Mid-1957," published 7 February 1956, were noted by the IAC on 28 January 1958 (IAC-M-326, item 5 c).

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Secretary

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Validity Studies of SNIE 42.1/2-56: Probable Political Developments in the Republic of Korea Through 1957, published 30 October 1956; and NIE 42.1-56: Probable Developments in the Republic of Korea Through Mid-1957, published 7 February 1956

1. The major judgments of the two outstanding previous estimates on the Republic of Korea were sound.

2. SNIE 42.1/2-56, Probable Political Developments in the Republic of Korea Through 1957 (30 October 1956), was based largely on a number of contingencies which have not yet materialized, including the prolonged illness or death of Rhee, the subsequent political problems, and major reductions in US aid. However, we believe that the estimate continues to be valid.

3. NIE 42.1-56, Probable Developments in the Republic of Korea Through Mid-1957 (7 February 1956), was valid in nearly all respects. It miscalled the outcome of the Vice Presidential election which followed by three months the publication of the estimate. It asserted: "Whatever candidate /Rhee/ eventually favors for Vice President will almost certainly win." However, Rhee's favored candidate, Yi Ki-pong, was defeated by Chang Myon, who was in Rhee's disfavor.

4. NIE 42.1-56 was also inaccurate with regard to an important sector of the economy. It stated: "If weather conditions continue favorable, the ROK could have about 100,000 metric tons of rice annually available for export in 1956 and 1957, with a potential foreign exchange value of as much as $17 million." The 1957 crop was excellent, but none will be exported due to increasing domestic consumption. In fact, the ROK is expected to be a heavy importer of grain during the 1957-58 crop year.

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